

Financial Resources for Agribusiness Enterprises in Virginia

<i>Title & Source</i>	<i>Description</i>	<i>Contact</i>
Business & Industry Guaranteed Loan Program (B&I), USDA	<ul style="list-style-type: none"> • Program guarantees loans by commercial lenders to rural businesses. • Maximum \$25 million aggregate loan amount to any one borrower. 	Local or State USDA Rural Development office or www.rurdev.usda.gov
Business & Industry Direct Loan Program (B&I Direct), USDA	<ul style="list-style-type: none"> • Loans made to individuals, partnerships, for-profit and non-profit businesses, cooperatives, Indian Tribes, and public bodies who are unable to obtain conventional credit at reasonable rates and terms. • Loan guarantees must be considered prior to a direct loan. • Borrower's outstanding direct loan balance cannot exceed \$10 million. 	Local or State USDA Rural Development office or www.rurdev.usda.gov
Intermediary Re-lending Program (IRP), USDA	<ul style="list-style-type: none"> • Loans made to intermediaries. Intermediaries re-lend funds to ultimate recipients for business facilities or community development. • Loans from intermediaries to ultimate recipients must be for the establishment of new businesses, the expansion of existing businesses, creation of employment opportunities, saving of existing jobs, or community development projects. 	Local or State USDA Rural Development office or www.rurdev.usda.gov
Farm Ownership Loans (FO), USDA FSA	<ul style="list-style-type: none"> • Loans for the purchase of farmland, to construct / repair buildings and other fixtures, and promote soil / water conservation. • Maximum loan amount is \$200,000 	www.fsa.usda.gov/dafl/directloans.htm
Farm Operating Loans (OL), USDA FSA	<ul style="list-style-type: none"> • Loans may be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance, and other operating expenses. • Operating Loans can also be used to pay for minor improvements to buildings, costs associated with land / water development, family subsistence, and to refinance debts under certain conditions. • Maximum loan amount is \$200,000 	www.fsa.usda.gov/dafl/directloans.htm
Microloan 7(m) Loan Program, SBA	<ul style="list-style-type: none"> • Short-term loans to small businesses for working capital or the purchase of inventory, supplies, furniture, fixtures, machinery and/or equipment. • Proceeds cannot be used to pay existing debts or to purchase real estate. 	www.sba.gov/financing

	<ul style="list-style-type: none"> • Maximum loan is \$35,000 	
Certified Development Company (504) Loan Program, SBA	<ul style="list-style-type: none"> • Provides growing businesses with long-term, fixed-rate financing for major fixed assets, such as land and buildings. • Typically, a 504 project includes a loan secured with a senior lien from a private-sector lender covering up to 50 percent of the project cost, a loan secured with a junior lien from the Certified Development Company (CDC) (backed by a 100 percent SBA-guaranteed debenture) covering up to 40 percent of the cost, and a contribution of at least 10 percent equity from the small business being helped. 	www.sba.gov/financing
Small Business Investment Companies Program (SBIC), SBA	<ul style="list-style-type: none"> • Small businesses which qualify for assistance from the SBIC program are able to receive equity capital, long-term loans, and expert management assistance. • SBA requires a minimum private capital investment of \$5 million for a debenture SBIC; \$10 million if they intend to utilize participating securities. A minimum of 30 percent of this capital must come from sources unaffiliated with the fund management. 	www.sba.gov/INV/
Virginia Small Business Financing Authority Loan Guarantee Program, VADBA	<ul style="list-style-type: none"> • Program guarantees a portion of a loan or line of credit extended by a commercial bank to a qualified Virginia business. • Maximum guaranty is \$500,000. 	www.dba.state.va.us/financing/programs/
Virginia Small Business Financing Authority Economic Development Loan Fund (EDLF), VADBA	<ul style="list-style-type: none"> • Program is designed to fill the financing gap between private debt financing and private equity. • Funds are available to economic development authorities and qualifying new and expanding businesses that are creating new jobs or saving “at risk” jobs in qualified underserved and distressed areas of Virginia 	www.dba.state.va.us/financing/programs/
Southside Region Tobacco Capital Access Program (TCAP), VTICRC & VABDA	<ul style="list-style-type: none"> • TCAP provides access to capital for qualifying businesses by encouraging banks to make loans that they would otherwise not make due to a borrower’s riskier profile. • Unlike government guaranty programs which provide a guaranty of a specific loan, TCAP utilizes an insurance concept on a portfolio of loans. 	www.dba.state.va.us/financing/programs/

VA Small Business Financing Authority: Virginia's Tobacco Region Tourism Development Loan Program (TDLP)	<ul style="list-style-type: none"> Designed to assist tourism-related businesses and non-profits obtain debt capital to facilitate the financing of tourism projects in Virginia's "tobacco region". Loans through this program fill the financing gap between private debt financing and private cash equity. Funds are provided for fixed asset and permanent working capital financing needs for those in the tourism industry that will be creating jobs or saving "at risk" jobs in Virginia's tobacco region. Funds can be used for the acquisition of land and buildings, construction or improvements to facilities and the purchase of machinery and equipment. In addition, deficiency loan guaranties can be used by banks that are extending credit to tourism-related businesses in the tobacco region. 	http://www.dba.state.va.us/financing/programs/ttourism.asp
VA Small Business Financing Authority: Southside Region Tobacco Capital Access Program (TCAP)	<ul style="list-style-type: none"> Applicable to Lee, Wise, Russell, Tazewell, Washington, Wythe, Scott, Dickenson, Buchanan, Smyth, Graayson, and Carroll counties and the cities of Norton and Bristol Provides business and financial training, one-on-one counseling, and access to credit through a revolving loan fund. The BusinessStart revolving loan fund can provide up to \$35,000 for a start-up or existing business. Loan proceeds can be used for working capital, inventory, equipment, and property improvements. All loans are collateralized and the interest rate is three points above prime. 	Phil Black Director of Community Economic Development (276) 619-2239 pblack@peopleinc.net http://www.businessstart.org/
Down payment Farm Ownership Loans for Beginning Farmers	<ul style="list-style-type: none"> Loan program to help beginning farmers and ranchers purchase a farm or ranch. This program also provides a way for retiring farmers to transfer their land to a future generation of farmers and ranchers. 	www.fsa.usda.gov/dafl/directloans.htm
Loans to Socially Disadvantaged Farmers/Ranchers, USDA FSA	<ul style="list-style-type: none"> Direct loan funds to help socially disadvantaged applicants buy and operate family-size farms and ranches. A socially disadvantaged (SDA) applicant is one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities, including women, African Americans, American Indians, Alaskan Natives, Hispanics, 	www.fsa.usda.gov/dafl/directloans.htm

	Asians, and Pacific Islanders	
Youth Loans, USDA FSA	<ul style="list-style-type: none"> Loans to individual rural youths to establish and operate income-producing projects of modest size in connection with their participation in 4-H clubs, FFA, and similar organizations 	www.fsa.usda.gov/dafl/directloans.htm
Beginning Farmer/Rancher Loans, USDA FSA	<ul style="list-style-type: none"> Direct loan funds to beginning farmers and ranchers who are unable to obtain financing from commercial credit sources. 	www.fsa.usda.gov/dafl/directloans.htm
Farm Credit of the Virginias loans for Young, Beginning, Small, and Minority Farmers	<ul style="list-style-type: none"> Farm Credit of the Virginias collaborates with the Farm Service Agency (FSA). To help manage credit risk, Farm Credit of the Virginias recommends participation in the FSA guarantee programs. 	Farm Credit of the Virginias toll-free at 800-919-3276. http://www.farmcreditofvirginias.com/
Emergency Loans, USDA FSA	<ul style="list-style-type: none"> Loans to help producers recover from production and physical losses due to drought, flooding, other natural disasters, or quarantine 	www.fsa.usda.gov/dafl/directloans.htm
Small Business Environmental Compliance Assistance Fund, VADEQ & VADBA	<ul style="list-style-type: none"> Low-interest rate loans are available to small businesses for the purchase and installation of replacement equipment needed to comply with the Clean Air Act OR to implement voluntary pollution prevention measures OR for the implementation of selected voluntary agricultural best management (BMPs) practices as listed in the Virginia Agricultural BMP Manual. maximum loan amount is \$100,000.00 per borrower 	www.dba.state.va.us/financing/programs/
Rural Business Enterprise Grant (RBEG), USDA	<ul style="list-style-type: none"> Grants to public bodies, private nonprofit corps., and federally-recognized Indian Tribal groups to finance and facilitate development of small and emerging private business enterprises in rural areas. Funds are used for the financing or development of a small and emerging business but funds do not go directly to the business. 	Local or State USDA Rural Development office or www.rurdev.usda.gov
Rural Business Opportunity Grants (RBOG), USDA	<ul style="list-style-type: none"> Grants to pay costs of providing economic planning for rural communities, technical assistance for rural businesses, or training for rural entrepreneurs or economic development officials. 	Local or State USDA Rural Development office or www.rurdev.usda.gov

	<ul style="list-style-type: none"> Grants should be \$50,000 or less. 	
Sustainable Agriculture Research & Education Grants	<ul style="list-style-type: none"> SARE is a competitive grants program providing grants to researchers, agricultural educators, farmers, ranchers, and students in the US. Producers apply for grants that run between \$1,000 and \$15,000 to conduct research, marketing / demonstration projects and share the results with other farmers. 	www.sare.org
Renewable Energy/Energy Efficiency Improvement Program (REEP), USDA	<ul style="list-style-type: none"> Program for making grants, loan guarantees, and direct loans to agricultural producers or rural small businesses to purchase renewable energy systems and make energy efficiency improvements. 	Local or State USDA Rural Development office or www.rurdev.usda.gov
Value-Added Producer Grants (VAPG), USDA	<ul style="list-style-type: none"> Competitive matching grant funds to help independent agricultural producers enter into value-added activities. Producers may apply for grants for planning activities or for working capital expenses, but not both. maximum amount for a planning grant is \$100,000 maximum amount for a working capital grant is \$300,000. 	Local or State USDA Rural Development office or www.rurdev.usda.gov
Rural Cooperative Development Grants (RCDG), USDA	<ul style="list-style-type: none"> Grants are made to non-profit organizations for establishing and operating centers for cooperative development for the primary purpose of improving the economic condition of rural areas through the development of new cooperatives and improving operations of existing cooperatives. 	Local or State USDA Rural Development office or www.rurdev.usda.gov
Small Business Innovation Research (SBIR), USDA CSREES	<ul style="list-style-type: none"> Competitively awarded grants to qualified small businesses to support advanced concepts research related to important scientific problems and opportunities in agriculture that could lead to significant public benefit. 	www.csrees.usda.gov/funding/sbir/sbir.html
Community Food Projects Competitiveness Grants (CFPCG),	<ul style="list-style-type: none"> These grants are intended to help eligible private nonprofit entities that need a one-time infusion of federal assistance to establish and carry out multipurpose community food projects. Projects are funded from \$10,000-\$300,000 and from 1 to 3 years. 	www.csrees.usda.gov

USDA CSREES	<ul style="list-style-type: none"> • one-time grants that require a dollar-for-dollar match in resources. 	
Rural Business Investment Program (RBIP), SBA	<ul style="list-style-type: none"> • Similar to SBIC program but designed to promote economic growth and job opportunities in rural areas. 	www.sba.gov/INV/RBIP/
Rural Economic Development Grants (REDG), USDA	<ul style="list-style-type: none"> • Grant funds to electric and telephone utilities to promote sustainable rural economic development and job creation projects through the operation of a revolving loan fund program 	Local or State USDA Rural Development office or www.rurdev.usda.gov
Rural Economic Development Loans (REDL), USDA	<ul style="list-style-type: none"> • Zero-interest loans to electric and telephone utilities to promote sustainable rural economic development and job creation projects 	Local or State USDA Rural Development office or www.rurdev.usda.gov
The Tobacco Indemnification and Community Revitalization Commission	<ul style="list-style-type: none"> • makes payments to farmers to compensate for the decline of tobacco quotas and to promote economic growth and development in tobacco-dependent communities. 	http://www.vatobaccocommission.org/
Tobacco Region Opportunity Fund	<ul style="list-style-type: none"> • TROF incentive grants assist in the creation of new jobs and investment, whether through business attraction or expansion. • Are targeted for larger competitive projects with a regional impact due to the magnitude of the new employment and investment, and the possibility of economic spin-off and related economic multiplier effect. • Are intended to diversify the economy and attract or encourage immediate growth in the affected communities of Virginia's tobacco producing region 	http://www.vatobaccocommission.org/TROF.htm
RESEARCH GRANTS		
SARE Research and Education Grant	<ul style="list-style-type: none"> • Since 1988, competitive grants for sustainable agriculture research and education have been awarded by four regional administrative councils. • Generally ranging from \$30,000 to \$200,000, they fund projects that usually involve scientists, producers and others in an interdisciplinary approach. 	http://www.sare-vt.edu/types.html#research

	<ul style="list-style-type: none"> • Many funded projects involve on-farm research trials with crops and/or livestock; other projects have studied quality of life, agricultural marketing, integrated farming systems, and soil and water conservation. • Successful proposals typically include economic analysis and outreach components. • The program also funds education and demonstration projects, including the development of farmer-to-farmer networks. 	
SARE On-Farm Research Grants	<ul style="list-style-type: none"> • the Southern Region SARE Program is requesting grant proposals from EXTENSION, NRCS AND/OR NON-GOVERNMENTAL ORGANIZATION (NGO) PERSONNEL WHO CURRENTLY WORK WITH FARMERS/RANCHERS and are interested in conducting on-farm research or marketing projects related to sustainable agriculture • Projects must be developed and coordinated by Extension, NRCS and/or non-governmental organization (NGO) personnel who currently work with farmers/ranchers AND who will conduct the on-farm research with at least three farmer/rancher cooperators. • Applicants must complete a proposal describing their project and explaining how it will help producers understand and adopt sustainable agriculture practices. 	http://www.sare-vt.edu/types.html#research
SARE Producer Grants	<ul style="list-style-type: none"> • program has sponsored hundreds of projects to explore and apply economically profitable, environmentally sound and socially supporting farming systems. • On-farm research trials involving producer collaboration with scientists have been a component of many SARE-funded projects. • each SARE regional administrative council had picked up the idea, offering grants that typically run between \$500 and \$5,000. • Producer grants are available annually, with application deadlines generally in late fall or early winter. 	http://www.sare-vt.edu/types.html#research

DCR Water Quality Improvement Grant	<ul style="list-style-type: none"> • Paid to VA farmers that implant water quality improvement practices 	http://www.dcr.virginia.gov/sw/docs/wqiagranagree.pdf
VA Conservation Reserve Enhancement Program (5 sub-programs)	<ul style="list-style-type: none"> • Rental Payments: CREP rental payments will be made on contracted acres for either 10 or 15 years (your choice). Rent of up to \$100/acre/year (combined federal and state) is available in the Chesapeake Bay watershed. Rent of up to \$90/acre/year (combined federal and state) is available in the Southern Rivers watersheds. Rental rates include a federal \$5/acre/year payment for maintenance and a Commonwealth of Virginia \$5/acre/year rental payment. The commonwealth's rental payment will be made as a lump sum after all conservation practices are installed and approved. Consult your local FSA office for your applicable rental rate. • Federal Incentive Payments: A federal signing incentive payment (SIP) of \$10/acre/full year of the contract and a federal practice incentive payment (PIP) of 40% of the eligible cost for riparian forest buffers and filter strips are available. A 25% hydrologic bonus incentive is available for wetland restoration. • Cost-Share Payments: Forested riparian buffers, filter strips, and wetland restorations meeting minimum NRCS standards are eligible for up to 50% federal cost-share reimbursement. VA will pay up to 25 percent of the eligible reimbursable costs on all components of CRP conservation practices on enrolled lands not to exceed \$200 per acre of restored buffer or wetland. This federal and state cost-share may include fencing, required plantings and development of alternative water sources. • Virginia Landowner Bonus Payments: To accelerate CREP enrollment, 	http://www.dcr.virginia.gov/sw/crep.htm#incentives

	<p>another \$1.5 million in Water Quality Improvement Funding for two new landowner bonus payments for contracts signed after July 1, 2004.</p> <ul style="list-style-type: none"> ○ For CREP wetlands restoration contracts, participants can get \$200 per acre of wetland restored. ○ Only within the Chesapeake Bay drainage area, participants can get \$100 per acre of riparian forest buffer that's at least 100 feet wide. <ul style="list-style-type: none"> • Optional Permanent Easement Payments: After the installation of conservation practices, the Commonwealth will pay an additional \$500/acre for the recordation of a permanent open space easement to protect the buffer in perpetuity. 	
<p>Appropriate Technology Transfer for Rural Areas (ATTRA), USDA</p>	<ul style="list-style-type: none"> • Provides information to farmers and other rural users on a variety of sustainable agricultural practices that include both cropping and livestock operations. 	<p>www.attra.ncat.org</p>